
ENGROSSED SUBSTITUTE SENATE BILL 5470

State of Washington

59th Legislature

2005 Regular Session

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Franklin, Thibaudeau, Keiser, Kline, Poulsen, Berkey, Haugen, McAuliffe, Rockefeller, Shin and Kohl-Welles; by request of Governor Gregoire)

READ FIRST TIME 02/28/05.

1 AN ACT Relating to importation of prescription drugs from Canadian,
2 United Kingdom, Irish, and other nondomestic wholesalers; adding a new
3 section to chapter 18.64 RCW; and creating new sections.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds that as consumers'
6 prescription drug costs continue to rise, people across the state of
7 Washington are seeking opportunities to purchase lower cost
8 prescription drugs from Canada, the United Kingdom, Ireland, and other
9 countries for their personal use. The state has a strong interest in
10 promoting the safe use of prescription drugs by consumers in Washington
11 state. To address this interest, the legislature intends to seek
12 authorization from the federal government to license Canadian, United
13 Kingdom, Irish, and other nondomestic prescription drug wholesalers,
14 thereby providing licensed retail pharmacies the opportunity to
15 purchase prescription drugs from approved wholesalers and pass those
16 savings on to consumers, and providing consumers the opportunity to
17 purchase prescription drugs from a trusted community pharmacist who is
18 aware of all of their prescription drug needs.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 18.64 RCW
2 to read as follows:

3 (1) By September 1, 2005, the board shall, in consultation with the
4 department and the health care authority, submit a waiver request to
5 the federal food and drug administration that will authorize the state
6 of Washington to license Canadian, United Kingdom, Irish, and other
7 nondomestic prescription drug wholesalers under RCW 18.64.046, thereby
8 providing retail pharmacies licensed in Washington state the
9 opportunity to purchase prescription drugs from approved wholesalers
10 and pass those savings on to consumers. The waiver shall provide that:

11 (a) Canadian, United Kingdom, Irish, and other nondomestic
12 prescription drug wholesalers meet the requirements of RCW 18.64.046
13 and any rules adopted by the board to implement those requirements;

14 (b) The board must ensure the integrity of the prescription drug
15 products being distributed by:

16 (i) Requiring that prescription drugs purchased from Canadian,
17 United Kingdom, Irish, and other nondomestic wholesalers originate only
18 from approved manufacturing locations;

19 (ii) Routinely testing prescription drugs purchased from Canadian,
20 United Kingdom, Irish, and other nondomestic wholesalers for safety;

21 (iii) Establishing safe labeling, tracking, and shipping procedures
22 for prescription drugs purchased from Canadian, United Kingdom, Irish,
23 and other nondomestic wholesalers; and

24 (iv) Closely monitoring compliance with RCW 18.64.046 and any rules
25 adopted to implement the waiver;

26 (c) The prescription drugs purchased from Canadian, United Kingdom,
27 Irish, and other nondomestic wholesalers must be limited to those for
28 which potential savings to consumers can be demonstrated and those
29 available through purchase by individuals only at licensed retail
30 pharmacies;

31 (d) To ensure that the program benefits those consumers without
32 insurance coverage for prescription drugs who are most in need of price
33 relief, prescription drug purchases from pharmacies under the waiver
34 will be limited to those not eligible for reimbursement by third party
35 insurance coverage, whether public or private, for the particular drug
36 being purchased; and

37 (e) Savings associated with purchasing prescription drugs from

1 Canadian, United Kingdom, Irish, and other nondomestic wholesalers will
2 be passed on to consumers.

3 (2) By December 1, 2005, the board, in consultation with the
4 department and the health care authority, shall submit a detailed
5 implementation plan to the governor and appropriate committees of the
6 legislature that details the mechanisms that the board will use to
7 implement each component of the waiver under subsection (1) of this
8 section.

9 (3) The board shall adopt rules as necessary to implement this act.

10 NEW SECTION. **Sec. 3.** If any part of this act is found to be in
11 conflict with federal requirements that are a prescribed condition to
12 the allocation of federal funds to the state, the conflicting part of
13 this act is inoperative solely to the extent of the conflict and with
14 respect to the agencies directly affected, and this finding does not
15 affect the operation of the remainder of this act in its application to
16 the agencies concerned. Rules adopted under this act must meet federal
17 requirements that are a necessary condition to the receipt of federal
18 funds by the state.

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